



Electricity Oversight Board

Daily Report for Saturday, May 10, 2003

On Saturday, the average zonal price at \$37.57/MWh jumped by 132 percent for SP15 from Friday's price at \$16.16/MWh and nearly 200 percent for NP15 from Friday's price at \$12.6/MWh. The day-ahead forecast levels were for the most part higher than actual load, however the CAISO requested additional Incremental Energy bids for hours between 9 p.m. and 11 p.m. that coincided with the daily peak prices. The significant increase in the average zonal price may have been partly the result of:

- The \$98/MWh price spike for the hour ending at 11 p.m. might have occurred as a result of loads that tapered down at a slower rate than generation ramp down rate.
- An increase in the natural gas prices. The average natural gas price increased slightly from \$5.12/MMBtu on Thursday to \$5.15/MMBtu on Friday.
- Warmer weather conditions. The temperatures across California increased on Saturday pushing up demands for electricity.
- On Saturday, over 500 MW of unplanned generation went off-line early morning.

The day-ahead load forecast was higher than actual load for 8 hours on Saturday, including hours between 2 p.m. and 9 p.m. The over-generation ranged from 200 MW to 800 MW. The over-generation during the early morning off-peak hours pushed down hourly zonal prices to fairly low levels at under \$13/MWh for those hours on Saturday.

Figure 1 - SP15 & NP15 7-Day Rolling Average Prices

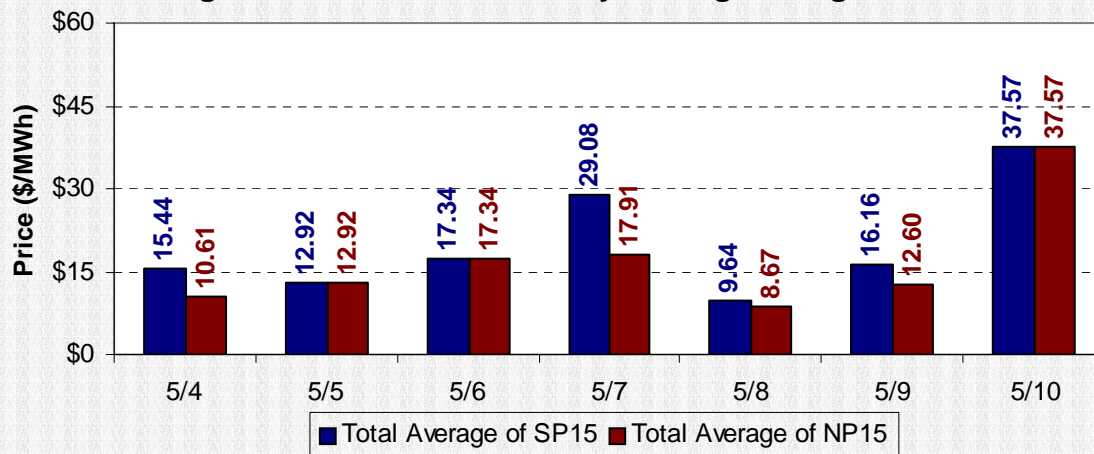
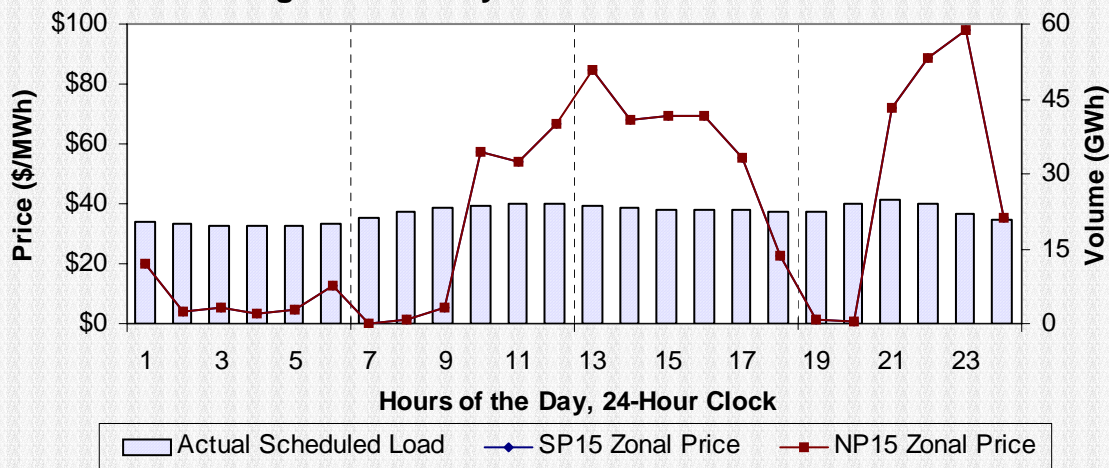


Figure 2 - Hourly Zonal Price and Volume





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Figure 3 - On-Peak Average Price by Market Area

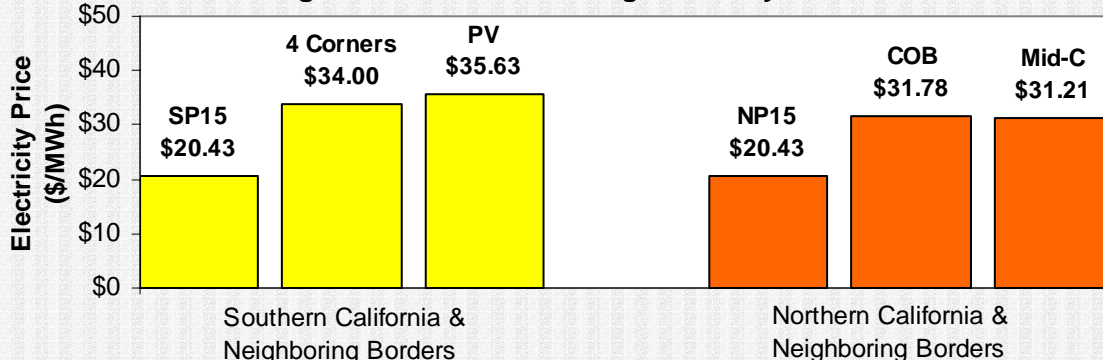


Figure 4 - Seven Day Snapshot of NP15 Zonal Price

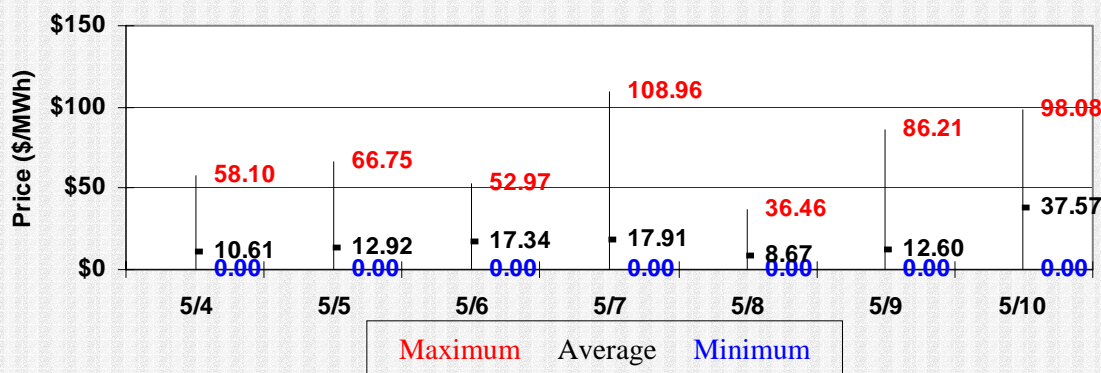


Figure 5 - Average Natural Gas Price

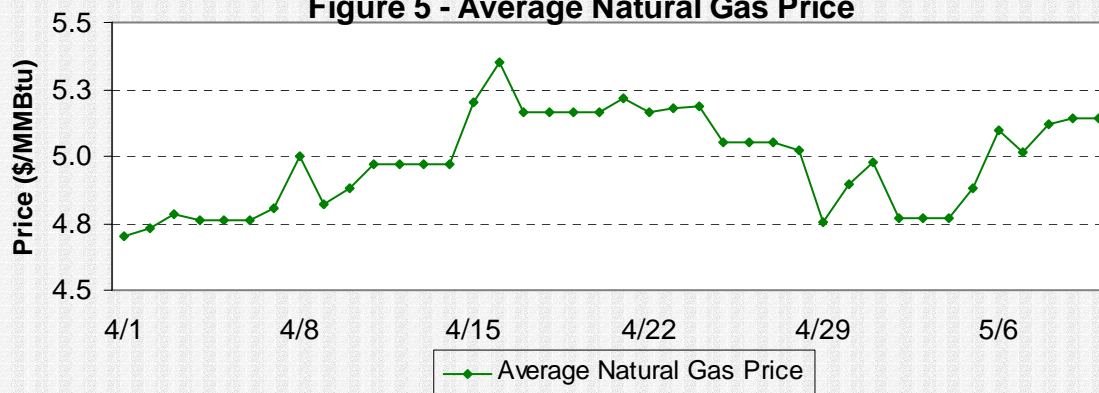


Figure 6 - Average Daily Zonal Price & Total Actual Load

